

STATE OF HAWAII
CONTRACT FOR GOODS OR SERVICES
BASED UPON
COMPETITIVE SEALED BIDS

This Contract, executed on the respective dates indicated below, is effective as of
 July 1, 2014, between Hawaii Public Housing Authority,
(Insert name of state department, agency, board or commission)
 State of Hawaii ("STATE"), by its Executive Assistant,
(Insert title of person signing for State)
 (hereafter also referred to as the HEAD OF THE PURCHASING AGENCY or designee ("HOPA")),
 whose address is 1002 North School Street, Honolulu, Hawaii 96817
 and
 ("CONTRACTOR"), a
(Insert corporation, partnership, joint venture, sole proprietorship, or other legal form of the Contractor)
 under the laws of the State of _____, whose business address and federal
 and state taxpayer identification numbers are as follows: _____

RECITALS

A. The STATE desires to retain and engage the CONTRACTOR to provide the goods or services, or both, described in this Contract and its attachments, and the CONTRACTOR is agreeable to providing said goods or services, or both.

B. The STATE has issued an invitation for competitive sealed bids, and has received and reviewed bids submitted in response to the invitation.

C. The solicitation for bids and the selection of the CONTRACTOR were made in accordance with section 103D-302, Hawaii Revised Statutes ("HRS"), Hawaii Administrative Rules, Title 3, Department of Accounting and General Services, Subtitle 11 ("HAR"), Chapter 122, Subchapter 5, and applicable procedures established by the appropriate Chief Procurement Officer ("CPO").

D. The CONTRACTOR has been identified as the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation.

E. Pursuant to Section 356D-4, HRS, the STATE
(Legal authority to enter into this Contract)
 is authorized to enter into this Contract.

F. Money is available to fund this Contract pursuant to:

(1) n/a
(Identify state sources)

or (2)
(Identify federal sources)

or both, in the following amounts: State \$ 0.00
 Federal \$ _____

NOW, THEREFORE, in consideration of the promises contained in this Contract, the STATE and the CONTRACTOR agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory manner as determined by the STATE, provide all the goods or services, or both, set forth in the Invitation for Bids number PMB-2014-12 ("IFB") and the CONTRACTOR'S accepted bid ("Bid"), both of which, even if not physically attached to this Contract, are made a part of this Contract.

2. Compensation. The CONTRACTOR shall be compensated for goods supplied or services performed, or both, under this Contract in a total amount not to exceed

_____ DOLLARS
(\$ _____), including approved costs incurred and taxes, at the time and in the manner set forth in the IFB and CONTRACTOR'S Bid.

3. Time of Performance. The services or goods required of the CONTRACTOR under this Contract shall be performed and completed in accordance with the Time of Performance set forth in Attachment-S3, which is made a part of this Contract.

4. Bonds. The CONTRACTOR ☐ is required to provide or ☒ is not required to provide: ☐ a performance bond, ☐ a payment bond, ☐ a performance and payment bond in the amount of _____ DOLLARS (\$ _____).

5. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached to and made a part of this Contract.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached to and made a part of this Contract. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control. In the event of a conflict among the documents, the order of precedence shall be as follows: (1) this Contract, including all attachments and addenda; (2) the IFB, including all attachments and addenda; and (3) the CONTRACTOR'S Bid.

7. Liquidated Damages. Liquidated damages shall be assessed in the amount of Fifty and No/100----- DOLLARS (\$ 50.00) per day, in accordance with the terms of paragraph 9 of the General Conditions.

8. Notices. Any written notice required to be given by a party to this Contract shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice to the STATE shall be sent to the HOPA'S address indicated in the Contract. Notice to the CONTRACTOR shall be sent to the CONTRACTOR'S address indicated in the Contract. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying the STATE in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Contract by their signatures, on the dates below, to be effective as of the date first above written.

STATE

(Signature)

Barbara E. Arashiro

(Print Name)

Executive Assistant

(Print Title)

(Date)

CONTRACTOR

(Name of Contractor)

(Signature)

(Print Name)

(Print Title)

(Date)

CORPORATE SEAL
(If available)

APPROVED AS TO FORM:

Deputy Attorney General

* Evidence of authority of the CONTRACTOR'S representative to sign this Contract for the CONTRACTOR must be attached.



STATE OF HAWAII

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF _____)
) SS.
_____ COUNTY OF _____)

On this _____ day of _____, _____ before me appeared
_____ and _____, to me
known, to be the person(s) described in and, who, being by me duly sworn, did say that he/she/they is/are
_____ and _____ of
_____, the
CONTRACTOR named in the foregoing instrument, and that he/she/they is/are authorized to sign said
instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said
instrument as the free act and deed of the CONTRACTOR.

(Notary Stamp or Seal)

(Signature)

(Print Name)

Notary Public, State of _____

My commission expires: _____

Doc. Date: _____ # Pages: _____

Notary Name: _____ Circuit _____

Doc. Description: _____

(Notary Stamp or Seal)

Notary Signature Date

NOTARY CERTIFICATION



STATE OF HAWAII
**CONTRACTOR'S
STANDARDS OF CONDUCT DECLARATION**

For the purposes of this declaration:

"Agency" means and includes the State, the legislature and its committees, all executive departments, boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

"Controlling interest" means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

"Employee" means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of _____, CONTRACTOR, the undersigned does declare as follows:

1. CONTRACTOR ☐ is* ☐ is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. CONTRACTOR has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Contract within the preceding two years and who participated while so employed in the matter with which the Contract is directly concerned. (Section 84-15(b), HRS).
3. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Contract and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Contract, if the legislator or employee had been involved in the development or award of the Contract. (Section 84-14 (d), HRS).
4. CONTRACTOR has not been represented on matters related to this Contract, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Contract. (Sections 84-18(b) and (c), HRS).

CONTRACTOR understands that the Contract to which this document is attached is voidable on behalf of the STATE if this Contract was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

* Reminder to Agency: If the "is" block is checked and if the Contract involves goods or services of a value in excess of \$10,000, the Contract must be awarded by competitive sealed bidding under section 103D-302, HRS, or a competitive sealed proposal under section 103D-303, HRS. Otherwise, the Agency may not award the Contract unless it posts a notice of its intent to award it and files a copy of the notice with the State Ethics Commission. (Section 84-15(a), HRS).

CONTRACTOR

By _____
(Signature)

Print Name _____

Print Title _____

Name of Contractor _____

Date _____



STATE OF HAWAII

SCOPE OF SERVICES

Contractor: Kalakaua Homes (1062) 1545 Kalakaua Avenue, Honolulu, Hawaii 96826
Properties: Makua Alii (1012) 1541 Kalakaua Avenue, Honolulu, Hawaii 96826
Paoakalani (1036) 1583 Kalakaua Avenue, Honolulu, Hawaii 96826

1. It is understood and agreed that the following documents, and any amendments or addenda thereto, comprise the Contract between the parties and governs the work to be performed by the CONTRACTOR for security services at Asset Management Project 34 (AMP 34) for the Federal low-income public housing properties listed above on the Island of Oahu: (1) Contract for Goods or Services Based Upon Invitation for Competitive Sealed Proposals, including the Contractor's Acknowledgement, Contractor's Standard of Conduct Declaration, Attachments S1, S2, S3, S4, and S5; (2) General Conditions, AG-008 103D General Conditions and HUD General Conditions HUD Form 5370-C; (3) Invitation-For-Bid (IFB) No. PMB-2014-12 dated April 30, 2014 and all addenda; (4) CONTRACTOR's accepted proposal dated _____ and clarifications dated _____. These documents are collectively referred to as the "Contract Documents".
2. The CONTRACTOR shall, in a satisfactory and proper manner as determined by the STATE, and in strict accordance with the Contract Documents provide security services at the Federal funded low income public housing properties on the island of Oahu as listed above.
3. The CONTRACTOR shall furnish, in accordance with the Contract Documents, all labor and other means necessary to provide security services as described in IFB No. PMB-2014-12 and the CONTRACTOR's accepted proposal and clarifications, if any. If there is a conflict between the CONTRACTOR's accepted proposal and clarifications, if any, and this Contract, the Contract shall prevail.
4. Service Activities (Minimum and mandatory tasks and responsibilities)
 - a. The CONTRACTOR shall provide one (1) security officer to conduct a roving patrol. Services shall include:
 - 1) Roving patrol tours seven (7) days a week including State holidays. The tentative work schedule shall be as follows:

Monday through Friday (One (1) security officer/shift)

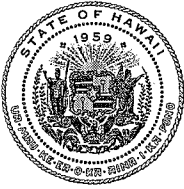
6:00 p.m. – 6:00 a.m. (12 hours)

Saturday and Sunday (One (1) security officer/shift)

6:00 p.m. – 5:00 a.m. (11 hours)

State Holidays (One (1) security officer/shift)

24 hours a day



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- 2) Conduct a minimum of three (3) complete rounds of all administrative and community facilities, residential buildings, stairwells, parking lots, common areas, refuse areas and entire grounds per shift with at least one (1) round per every four (4) hours following a pre-approved plan. Number of rounds will increase as requested by the Officer-In-Charge. Unusual situations which would alter the number of rounds shall be recorded in a log book. Any incidents of damages shall be reported to the Officer-In-Charge.
 - 3) The CONTRACTOR shall provide a Watchman Recording Device, Detex or equal and up to 36 check points which will control and monitor the rounds. The CONTRACTOR shall be responsible for all costs and maintenance of the recording device. The HPHA reserves the right to change the locations or increase the number of check points due to unforeseen circumstances such as emergency situations or crime hot spots.
5. The CONTRACTOR shall also provide the following services at all sites and during any option period:
 - a. Investigate all disturbances and incidents that were observed or reported. Endeavor to abate nuisances and disturbances when possible, using tact and judgment to prevent or minimize disorder, quell disturbances and maintain law and order. Investigation and follow up shall include, but are not limited to:
 - 1) Be alert for suspicious persons and/or vehicles, vandalism to the HPHA property, buildings, and parking areas and resident's property.
 - 2) Report all fires to the Honolulu Fire Department and site management.
 - 3) Enforce lease provisions, Hawaii Revised Statutes (HRS) sections governing federal public housing under HRS Chapter 356D, Hawaii Administrative Rules (HAR) governing federal public housing (e.g., HAR Chapter 17-2028).
 - 4) Appropriately respond to HRS criminal law violations, which include but are not limited to possessing or drinking alcoholic beverages in HPHA common areas (see HRS § 281-78), engaging in disorderly conduct such as unreasonable noise or fighting/threatening behavior (see HRS § 711-1101), criminal trespass, assault, harassment, and criminal property damage.
 - 5) Enforce traffic and speed limit signs.
 - 6) Use tact and judgment to prevent disorder, quell disturbances and maintain law and order.
6. Determine the need for and summon state/federal law enforcement when intervention or arrest is necessary. Cooperate with and assist the State/Federal law enforcement if necessary and testify in court or administrative hearings when required:
 - a. Monitor parked vehicles on the project premises and initiate action to tow vehicles from the project as instructed by the Officer-In-Charge. Conduct visual inspection of



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parking areas for current parking decals and suspicious activities.

- b. The CONTRACTOR may act on behalf of the Officer-In-Charge to issue a written trespass or warning, either verbally or in writing as instructed by the Officer-In-Charge, where deemed appropriate. The CONTRACTOR shall cooperate with the Honolulu Police Department pertaining to issuance and/or enforcement of trespass notices. The Officer-In-Charge shall provide guidelines to the CONTRACTOR on issuance of trespass warnings.
- c. Maintain confidentiality of all documents viewed or information gathered during the performance of every security officer's duties, including discussing with the residents the details of incidents on property, unless the express consent of the Officer-In-Charge is provided.
- d. Cooperate with local law enforcement on crime and drug prevention issues in and around surrounding project site.

7. Emergency Calls

The CONTRACTOR agrees to make unscheduled changes to security schedules, when requested by the Officer-In-Charge in emergency situations or if the Officer-In-Charge anticipates the need for increased security that are due to circumstances that cannot be predicted at the time of this IFB. Changes to the security schedule may include increased number of hours per day or number of security personnel on an emergency basis.

At the time of this solicitation, the HPHA anticipates approximately 20 emergency call hours per period. The projected number of emergency call hours are estimates and does not mean to imply that the HPHA will utilize these definite amounts.

8. Report Requirements

- a. Submit written reports of incidents and every security officer's follow up action taken, to the Officer-In-Charge or his/her designated representative.
- b. Prepare and submit incident reports to the HPHA, covering in detail all disturbances, incidents and violations of the HPHA administrative rules and lease that were observed or reported during each daily tour of duty or other appropriate reports as requested. Such reports shall contain all pertinent facts available and the names of all persons involved and unit numbers and shall be in a format to be specified by HPHA. Copies of the incident reports shall be delivered daily to the Officer-In-Charge and Contract Administrator or his/her designated representative.
- c. Prepare and submit daily printout of Watchman Recording Device, Detex, or equal of check points on a bi-weekly basis to the Contract Administrator.



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9. Equipment Requirements

- a. All Security Officers must be uniformed without sidearms, but may be provided with crowd dispersing devices as necessary.
- b. Provide each Security Officer with a cellular phone or other appropriate means of communication, digital or Polaroid camera and supplies, and flashlight.
- c. The CONTRACTOR will also provide the security supervisor/dispatcher with a cellular phone or other appropriate means of communication. The CONTRACTOR shall ensure that the tenants will have access to a direct line or other appropriate means to the Security Officers for emergencies. The CONTRACTOR may post a central dispatch number for tenants to contact.
- d. The CONTRACTOR will be responsible for all equipment costs and maintenance of the cellular phone and/or other appropriate means of communication.

10. Applicable Vehicle Requirements

- a. All vehicles may be subject to periodic inspection by the State. All vehicles must meet and comply with any and all applicable Rules and Regulations prescribed by the City & County of Honolulu, the State of Hawaii, and the U.S. Government.
- b. Any vehicle failing to meet the safety standards or found to be mechanically unsafe shall be removed from service and repaired. Any refusal to correct or repair discrepancies shall result in termination of the contract.

11. Facilities

The HPHA shall provide restroom facilities within the properties for security officers to use, to be served and may provide office space which will include electricity. The CONTRACTOR shall be responsible for the daily upkeep of assigned space(s). The CONTRACTOR shall also be responsible for any damage to the facilities caused by the CONTRACTOR's personnel.

12. Management Requirements & Qualifications (Minimum requirements)

a. Personnel

The CONTRACTOR shall ensure that all personnel meet minimum qualifications, including licensing requirements pursuant to section 463-10.5, HRS, and have at least two (2) years relevant experience in law enforcement and/or security.

- 1) The CONTRACTOR shall employ sufficient personnel at all times for performing



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the work in the manner and time required by these specifications and any subsequent instructions by the Officer-In-Charge. The CONTRACTOR shall maintain and implement a plan to ensure minimal disruption of services due to staff vacancies or changes.

- 2) The CONTRACTOR shall be solely responsible for the behavior and conduct of their employees or agents on the HPHA property and shall instruct Security Personnel to fully cooperate with the Officer-In-Charge. Security Personnel shall refrain from socializing or fraternizing with the residents of the sites while on-duty.
- 3) Security Personnel shall not enter any occupied dwelling unit, except in the case of emergency or with the consent of the HPHA, the Officer-In-Charge or his/her designated representative.
- 4) The CONTRACTOR agrees to remove any of its employees from servicing or providing services to the HPHA, upon request in writing by the Officer-In-Charge. At the request of HPHA, the CONTRACTOR shall remove forthwith and shall not employ in any portion of the contracted work, any person who, in the opinion of HPHA, does not perform his/her duties and responsibilities in a proper and skillful manner or is intoxicated or disorderly or is abusive or unable to demonstrate tact and diplomacy in dealing with the public.
- 5) The CONTRACTOR agrees to relieve any Security Officer if arrested for any major crime or felony, pending final resolution of the investigation. The HPHA has final authority to allow the individual to perform security duties pending investigation, resolution or conviction. The resulting conviction will disqualify the individual from performing work in any capacity under this Contract.
- 6) The CONTRACTOR shall ensure that no Security Officer employed under this Contract smokes or uses electronic cigarettes while on HPHA properties. The CONTRACTOR agrees and shall adhere to the HPHA no-smoking prohibition while on HPHA property. Such violation may be considered a breach of contract and result in suspension or termination.
- 7) The CONTRACTOR shall ensure that no Security Officer employed under this Contract has been convicted of selling, dealing, or using controlled substances such as crystal methamphetamine in or around any state or federal public housing under the jurisdiction of the HPHA.
- 8) The CONTRACTOR shall inform the Officer-In-Charge of all Security Officers employed under this Contract who is a registered sex offender.
- 9) The CONTRACTOR shall have a properly licensed manager to oversee the entire



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operation and to ensure that the services required are satisfactorily performed. All Security Officers shall be under the supervision of the CONTRACTOR.

- 10) Security personnel shall refrain from having personal visitors and from socializing while on-duty. Unofficial telephone calls shall be limited to emergencies.
- 11) The CONTRACTOR shall ensure that all information, documents, or materials viewed, discussed or provided to security personnel in the line of duty shall be treated as confidential. Security personnel shall refrain from providing confidential information to the tenants and the general public without express consent of the HPHA.
- 12) The CONTRACTOR shall select only those personnel capable of demonstrating the following:
 - i. Ability to exercise good judgment;
 - ii. Maturity in conduct and attitude;
 - iii. Ability to communicate in English, both verbally and in writing, and read instructions; and
 - iv. Be courteous to members of the public and the HPHA employees, as well as tolerant in their interactions with others; be well groomed and neat in appearance.
- 13) Each Security Officer must maintain a satisfactory level of drug-free general health at all times to work under this contract. The following are the minimum physical requirements:
 - i. Security Officers must be able to hear at normal conversational level. A hearing aid may be used to meet this requirement.
 - ii. Security Officers must be physically able to serve a normal shift walking, standing, manning posts, using stairs or elevators, and operating motor vehicles.
 - iii. Correctable vision to 20/30 in each eye.
- 14) During the performance of this Contract, the CONTRACTOR agrees not to discriminate against any employee or applicant for employment because of sex, race, creed, color, or national origin. The CONTRACTOR will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to sex, race, creed, color, or national origin. Such action shall include without limitation, to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR shall insert provisions similar to the foregoing in all Subcontracts.

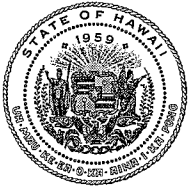


STATE OF HAWAII

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b. Administrative

- 1) The CONTRACTOR shall be required to attend, at a minimum, quarterly meetings with the Contract Administrator and Officer-In-Charge, or unless otherwise specified. The day and time to be specified by the Contract Administrator. Field visits will be made, if necessary.
- 2) Every month the Officer-In-Charge shall submit a report to the CONTRACTOR listing any discrepancies or Contract violation(s) which need correction. These discrepancies or Contract violation(s) must be corrected by the next reporting period for payment adjustment purposes.



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

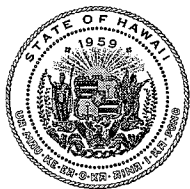
Contractor: Kalakaua Homes (1062) 1545 Kalakaua Avenue, Honolulu, Hawaii 96826

Properties: Makua Alii (1012) 1541 Kalakaua Avenue, Honolulu, Hawaii 96826

Paoakalani (1036) 1583 Kalakaua Avenue, Honolulu, Hawaii 96826

1. Subject to the availability, allotment and receipt of Federal and/or State funds, the STATE agrees to pay the CONTRACTOR for services satisfactorily performed under this Contract a sum of money not to exceed _____ and No/100 Dollars (\$xx,xxx.xx) for the twelve month period as shown in the CONTRACTOR's Bid Offer. See Exhibit A.
2. Federal funds are subject to appropriation by the U.S. Congress and allocation by the U.S. Department of Housing and Urban Development (HUD). Funding and period of availability may change upon notice by HUD to the STATE. If there should be insufficient federal funds for any portion of the remaining Contract period beyond the initial twelve-month period, ending June 30, 2015, the STATE may terminate without penalty the Contract or revise the amount/quantity of services required without penalty.
3. State funds are subject to appropriation by the State's Director of Finance and allocation by the Governor and/or State Legislature. Funding and period of availability may change upon notice by the STATE. If there should be insufficient funds for any portion of the remaining Contract period beyond the initial twelve-month period, ending June 30, 2015, the STATE may terminate without penalty the Contract or may revise the amount/quantity of services required without penalty.
4. Upon execution of this Contract, payments shall be paid in accordance with and subject to the following:
 - a. The CONTRACTOR shall submit a monthly invoice, one original, for services rendered to:

Hawaii Public Housing Authority
Attn: Property Management and Maintenance Services Branch
1002 N. School Street
P.O. Box 17907
Honolulu, HI 96817
 - b. Section 103-10, HRS, provides that the STATE shall have thirty calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. Upon receipt of the invoice, the HPHA shall date stamp the invoice, and use this receipt date to calculate the thirty (30) day payment period. For the purposes of this paragraph, the Successful Bidder's invoice date shall not be considered.



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

Contractor: **Kalakaua Homes (1062)** 1545 Kalakaua Avenue, Honolulu, Hawaii 96826

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- c. All invoices shall reference the Contract number assigned to this Contract. Payment shall be in accordance with Section 103-10, HRS, upon certification by the Officer-In-Charge that the CONTRACTOR has satisfactorily performed the services specified. Payment shall be made on the basis of actual man-hours of security services performed by the CONTRACTOR. The CONTRACTOR shall submit monthly invoices for payment, listing dates and man-hours of security services rendered for the previous month.

The CONTRACTOR shall clearly indicate any adjustments made to the billing statement for work not performed.

- d. Once a month the Officer-In-Charge will submit a report to the CONTRACTOR listing any discrepancies or Contract violation(s) that need correction. These discrepancies or Contract violation(s) must be corrected by the next reporting period for payment adjustment purposes. Liquidated damages shall apply for the Contractor's failure to comply.
- e. Charges for extra security services that are not specified in the Service Schedule or not added to the Contract by a Supplemental Contract shall be submitted on a separate invoice and will be paid for by State purchase order, State procurement card, or other appropriate means. Charges for emergency services shall be invoiced in this manner.
- f. For final payment, the CONTRACTOR must submit a valid original tax clearance certificate "Certification of Compliance for Final Payment" (SPO Form-22). If the CONTRACTOR fails to provide a valid tax clearance certificate within one (1) month of the termination date of this Contract, the STATE shall assign the final payment in an amount not to exceed the tax liability to the Department of Taxation or the Internal Revenue Service. The debt owed to the Department of Taxation shall be offset first.
5. The CONTRACTOR shall be reimbursed at the accepted bid price per hour, which shall be the all-inclusive cost to the STATE, including all applicable taxes for providing the services specified. The total bid price shall be applicable to additional security services provided during or after normal work hours during the term of this Contract.
6. The STATE is not responsible for overtime and shall not pay for any overtime.
7. It is the sole responsibility of the CONTRACTOR to comply with section 103-55, HRS. The CONTRACTOR shall not be paid any reimbursement of retroactive pay. The STATE may consider requests for increases as a result of an increase to public officers and employees



STATE OF HAWAII

COMPENSATION AND PAYMENT SCHEDULE

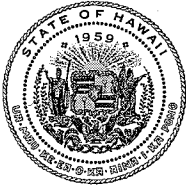
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during the Contract period or during any option period. The CONTRACTOR's requests for an increase must meet the following criteria:

- a. At the time of the request, the CONTRACTOR's hourly wage rate must be less than the prevailing State wage rate; and
 - b. The CONTRACTOR must or must have provided documentation to show that the hourly wage rate is in compliance with section 103-55, HRS, and that its employees are being paid no less than the known hourly wage rate of the equivalent State position.
 - c. Request for an increase must be made in writing to the STATE on a timely basis. Request for an increase for the initial Contract period must be made as soon as practicable after the State wage agreements are made public. Approved request will be retroactive to the date of increase for the State employees with adequate documentation that the CONTRACTOR provided its employees a wage increase.
8. The CONTRACTOR shall repair all damages caused by CONTRACTOR's equipment or employees to existing utilities and structures, such as water lines, electric conduits, sewer lines, and buildings. If such repairs are not completed within a reasonable time, STATE reserves the right to purchase services for the necessary repairs from the open market and to deduct all repair costs from moneys due or may thereafter become due to CONTRACTOR. In the event money due to the CONTRACTOR is insufficient for the purpose, CONTRACTOR shall pay the difference upon demand by STATE.



STATE OF HAWAII
TIME OF PERFORMANCE

Contractor: Kalakaua Homes (1062) 1545 Kalakaua Avenue, Honolulu, Hawaii 96826
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1. The term of this Contract for Furnishing Security Services shall be for a twelve-month period beginning on July 1, 2014 and ending June 30, 2015.
2. No services shall be performed on this Contract prior to July 1, 2014.
3. The option to extend the Contract shall be at the sole discretion of the STATE. The Contract may be extended without the necessity of rebidding at the same rates as proposed in the original bid, unless price adjustments are made and approved as provided herein:

Initial term of Contract: 12 months starting July 1, 2014

Length of each extension: Up to twelve months; may be less than twelve months when it is in the best interest of the State

Maximum length of Contract: 36 months

4. The initial period shall commence on the Contract start date. The following conditions must be met for an extension:
 - a. The CONTRACTOR experienced cost savings and has unexpended funds available that can be used to provide additional services; or
 - b. The STATE determines there is an ongoing need for the services and has funds to extend services, not to exceed 12-months for any extension period. The Contract extension shall be awarded at the same or comparable rates as the Primary Contract; and
 - c. A Supplemental Contract must be executed prior to expiration of the Primary Contract; and
 - d. The STATE may be required to obtain HUD approval in writing of the extension prior to execution of a Supplemental Contract, if federal HUD funds are to be used; and
 - e. The CONTRACTOR must obtain STATE approval in writing and a notice to proceed with the extension; and
 - f. The STATE has determined that the CONTRACTOR has satisfactorily provided services over the current Contract term; and
 - g. The necessary State and/or Federal Project funds are appropriated and allotted for an extension.



STATE OF HAWAII

**CERTIFICATE OF EXEMPTION
FROM CIVIL SERVICE**

1. By Heads of Departments Delegated by the Director of the Department of Human Resources Development ("DHRD").*

Pursuant to a delegation of the authority by the Director of DHRD, I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, Hawaii Revised Statutes (HRS).

(Signature)

Hakim Ouansafi

(Print Name)

Executive Director

(Print Title)

(Date)

* This part of the form may be used by all department heads and the heads of attached agencies to whom the Director of DHRD expressly has delegated authority to certify § 76-16, HRS, civil service exemptions. The specific paragraph(s) of § 76-16, HRS, upon which an exemption is based should be noted in the contract file. If an exemption is based on § 76-16(b)(15), the contract must meet the following conditions:

- (1) It involves the delivery of completed work or product by or during a specific time;
- (2) There is no employee-employer relationship; and
- (3) The authorized funding for the service is from other than the "A" or personal services cost element.

NOTE: Not all attached agencies have received a delegation under § 76-16(b)(15). If in doubt, attached agencies should check with the Director of DHRD prior to certifying an exemption under § 76-16(b)(15). Authority to certify exemptions under §§ 76-16(b)(2), and 76-16(b)(12), HRS, has not been delegated; only the Director of DHRD may certify §§ 76-16(b)(2), and 76-16(b)(12) exemptions.

2. By the Director of DHRD, State of Hawaii.

I certify that the services to be provided under this Contract, and the person(s) providing the services under this Contract are exempt from the civil service, pursuant to § 76-16, HRS.

(Signature)

(Date)

(Print Name)

(Print Title, if designee of the Director of DHRD)



STATE OF HAWAII
SPECIAL CONDITIONS

Contractor: Kalakaua Homes (1062) 1545 Kalakaua Avenue, Honolulu, Hawaii 96826
Properties: Makua Alii (1012) 1541 Kalakaua Avenue, Honolulu, Hawaii 96826
Paoakalani (1036) 1583 Kalakaua Avenue, Honolulu, Hawaii 96826

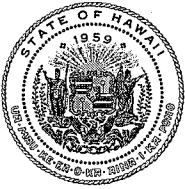
1. The CONTRACTOR shall maintain insurance acceptable to the STATE in full force and effect throughout the term of this Contract. The policies of insurance maintained by the CONTRACTOR shall provide the following coverages:

<u>Coverage</u>	<u>Limit</u>
General Liability Insurance (occurrence form)	\$2,000,000.00 combined single limit per occurrence for bodily injury and property damage.
Automobile Insurance covering all owned, non- owned and hired automobiles.	Bodily injury liability limits of <u>\$1,000,000.00</u> each person and <u>\$1,000,000.00</u> per accident and property damage liability limits of <u>\$1,000,000.00</u> per accident OR \$2,000,000.00 combined single limit.
Workers' Compensation as required by laws of the State of Hawaii.	Insurance to include Employer's Liability. Both such coverages shall apply to all employees of the CONTRACTOR and to all employees of sub-contractors in case any sub-contractor fails to provide adequate similar protection for all his employees.

a. The State of Hawaii, the Hawaii Public Housing Authority (HPHA), its elected and appointed officials, and employees shall be named as additional insured, except for Professional Liability Insurance and Workers Compensation Insurance, as respects to operations performed for the State of Hawaii under this Contract. The CONTRACTOR agrees to provide the STATE before the effective date of the Contract, certificate(s) of insurance necessary to satisfy the STATE that the CONTRACTOR is in compliance with the insurance provisions of this Contract and to keep such insurance in effect and the certificate(s) therefore on deposit with the STATE during the entire term of this Contract. The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including Supplemental Contracts. Upon request by the STATE, the CONTRACTOR shall furnish a copy of the policy or policies.

b. Failure of the CONTRACTOR to provide and keep in force such insurance shall be regarded as material default under this Contract and shall entitle the STATE to exercise any or all of the remedies provided in this Contract for default of the CONTRACTOR.

c. The procuring of such required policy or policies of insurance shall not be construed to limit the CONTRACTOR's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance,



STATE OF HAWAII
SPECIAL CONDITIONS

the CONTRACTOR shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

- d. The CONTRACTOR shall notify the STATE in writing of any cancellation or change in provisions thirty calendar days prior to the effective date of such cancellation or change.
 - e. The STATE is a self insured State agency. The CONTRACTOR's insurance shall be primary. Any insurance maintained by the State of Hawaii shall apply in excess of, and shall not contribute with, insurance provided by the CONTRACTOR.
 - f. To satisfy the minimum coverage limits required by this Contract, the CONTRACTOR may use an umbrella policy in addition to the mandatory insurance policies (i.e., General Liability Insurance, Automobile Insurance, and Workers' Compensation) provided that the STATE approves, and the umbrella policy follows the underlying coverage forms.
2. The CONTRACTOR shall have a permanent office on the island of Oahu from where it conducts business and where it will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable.
 3. The STATE shall monitor the performance of work on an ongoing basis through desk monitoring, site inspection and/or other appropriate methods.
 4. Should the CONTRACTOR fail to comply with the requirements of the Contract, the STATE reserves the right to engage the services of another company to perform the services, to remedy the defect or failure and to deduct such costs from monies due to the CONTRACTOR or to directly assess the CONTRACTOR.
 5. In the event the CONTRACTOR fails, refuses, or neglects to perform the services in accordance with the requirements of the Invitation for Bids Number IFB PMB-2014-12 and the Contract, the STATE reserves the right to purchase in the open market, a corresponding quantity of services, and to deduct the cost of procuring such services from the CONTRACTOR this cost and from any monies due or that may thereafter become due the CONTRACTOR. In case money due to the CONTRACTOR is insufficient for the purpose, the CONTRACTOR shall pay the difference upon demand by the STATE. The STATE may also utilize all other remedies provided under the Contract and by law and rules.
 6. If there is a conflict between the general conditions from HUD 5370-C (05/2006) and general conditions AG-008 both of which are attached hereto, the more restrictive of the two shall apply.
 7. Smoking of tobacco or any other plant material is strictly prohibited on HPHA properties. The CONTRACTOR agrees and shall adhere to this no-smoking prohibition while on HPHA property. Such violation may be considered a breach of this Contract and result in suspension or termination.